

§ 1201.7 Why does NARA have to collect debts?

Federal agencies are required to try to collect claims of the Federal Government for money, funds, or property arising out of the agency's activities.

§ 1201.8 What action might NARA take to collect debts?

(a) There are a number of actions that NARA is permitted to take when attempting to collect debts. These actions include:

- (1) Salary, tax refund or administrative offset, or administrative wage garnishment (*see* subparts C, D, E, and F of this part respectively); or
- (2) Using the services of private collection contractors.

(b) In certain instances, usually after collection efforts have proven unsuccessful, NARA transfers debts to the Treasury for collection or refers them to the DOJ for litigation (*see* §§ 1201.10 and 1201.11).

§ 1201.9 What rights do I have as a debtor?

As a debtor you have several basic rights. You have a right to:

- (a) Notice as set forth in these regulations (*see* § 1201.14);
- (b) Inspect the records that NARA has used to determine that you owe a debt (*see* § 1201.14);
- (c) Request review of the debt and possible payment options (*see* § 1201.17);
- (d) Propose a voluntary repayment agreement (*see* § 1201.19); and/or
- (e) Question if the debt is excluded from these regulations (*see* § 1201.5(b)).

Subpart B—General Provisions.**§ 1201.10 Will NARA use a cross-servicing agreement with the Department of the Treasury to collect its claims?**

(a) NARA may enter into a cross-servicing agreement that authorizes the Treasury to take the collection actions described in this part on behalf of NARA. This agreement will describe procedures that the Treasury uses to collect debts. The debt collection procedures that the Treasury uses are based on 31 U.S.C. chapter 37.

(b) NARA must transfer to the Treasury any debt that has been delinquent

for a period of 180 days or more so that the Secretary of the Treasury may take appropriate action to collect the debt or terminate collection action. NARA may also transfer to the Treasury any debt that is less than 180 days delinquent.

(c) Paragraph (b) of this section will not apply to any debt or claim that:

- (1) Is in litigation or foreclosure;
- (2) Will be disposed of under an approved asset sales program;
- (3) Has been referred to a private collection contractor for collection for a period of time acceptable to the Secretary of the Treasury;
- (4) Is at a debt collection center for a period of time acceptable to the Secretary of the Treasury;
- (5) Will be collected under internal offset procedures within 3 years after the date the debt or claim is first delinquent; or
- (6) Is exempt from this requirement based on a determination by the Secretary of the Treasury.

§ 1201.11 Will NARA refer claims to the Department of Justice?

NARA will refer to DOJ for litigation claims on which aggressive collection actions have been taken, but which could not be collected, compromised, suspended, or terminated. Referrals will be made as early as possible, consistent with aggressive NARA collection action, and within the period for bringing a timely suit against the debtor.

§ 1201.12 Will NARA provide information to credit reporting agencies?

(a) NARA will report certain delinquent debts to appropriate consumer credit reporting agencies by providing the following information:

- (1) A statement that the debt is valid and overdue;
- (2) The name, address, taxpayer identification number, and any other information necessary to establish the identity of the debtor;
- (3) The amount, status, and history of the debt; and
- (4) The program or pertinent activity under which the debt arose.

(b) Before disclosing debt information to a credit reporting agency, NARA: